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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/699,533	10/30/2000	Ross G. Kaminsky	99,858	7284

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EXAMINER

NGUYEN, NGA B

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 02/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/699,533

Applicant(s)

KAMINSKY ET AL.

Examiner

Nga B. Nguyen

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 27 September 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

1. This Office Action is the answer to the communication filed on September 27, 2004, which paper has been placed of record in the file.
2. Claims 1-13 are pending in this application.

Response to Arguments/Amendment

3. Applicant's arguments with respect to claims 1-13 have been considered but are moot in view of new grounds of rejection.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 1-13 are rejected under 35 U.S.C. 102(e) as being anticipated by Richard et al (herein after Richard), U.S. Patent No. 6,016,483.

Regarding to claim 1, Richard discloses a method of opening options trading in an automated exchange trading system that receives orders and quotes, and matches the orders and quotes to generate trades, comprising the steps of:

accepting quotes and orders associated with an option class during a first time

period prior to the opening of trading (figure 2 and column 8, lines 17-30; at the first stage, the central controller accept public orders and market maker orders);

receiving an opening value of an underlying security (column 9, lines 22-32;
receiving an opening trade of an underlying security);

determining opening price: for a plurality of option series in the option class
(column 6, lines 10-13 and column 7 lines 13-17);

receiving additional quotes and orders associated with the option class during a second time period and responsively updating the opening prices (figure 2; column 8, lines 35-42 and column 27-33; receiving current position and the desired target position of each of the market makers at the second stage);

randomly terminating the second time period such that additional quotes and orders are not considered in updating the opening prices (column 6, lines 5-30); and

opening trading of the plurality of option series based on the updated opening prices (column 1, lines 30-42; reopening trading after a trading halt in the underlying security with the updated opening price).

Regarding to claim 2, Richard discloses wherein the step of determining opening prices is based on maximizing the number of contracts traded at the opening (column 8, lines 32-35).

Regarding to claim 3, Richard discloses wherein the step of responsively updating the opening prices comprises recalculating the opening prices based upon quotes and orders received during the second time period (column 6, lines 5-30).

Regarding to claim 4, Richard discloses wherein the step of randomly terminating the second time period occur not less than approximately five seconds after the step of receiving the opening value of the underlying security (column 4, lines 60-65; 45 minutes).

Regarding to claim 5, Richard discloses wherein the opening value is one of a) an opening quote, b) an opening trade and c) an opening quote and an opening trade (column 9, lines 20-32; an opening quote and an opening trade).

Regarding to claim 6, Richard discloses a processor programmed with a set of instructions to perform the method of claim 1 (column 8, lines 5-16, 43-52; central controller 2).

Regarding to claim 7, Richard discloses wherein the step of opening trading comprises opening trading on the plurality of option series in a random order (column 4, lines 60-65; matching orders).

Regarding to claim 8, Richard discloses a method of opening option trading, comprising the steps of:

receiving quotes and orders associated with an option class during a first time period prior to the opening of option trading (figure 2 and column 8, lines 17-30; at the first stage, the central controller accept public orders and market maker orders);

receiving an opening value for a security associated with the option class (column 9, lines 22-32; receiving an opening trade of an underlying security);

calculating an expected opening price for a plurality of option series in the option class (column 6, lines 10-13 and column 7 lines 13-17);

publishing the expected opening prices during a second time period (column 9, lines 10-20);

receiving additional quotes and orders associated with the option class during the second time periods (figure 2; column 8, lines 35-42 and column 27-33; receiving current position and the desired target position of each of the market makers at the second stage); and

randomly terminating the second time period to open trading of the plurality of option series (column 6, lines 5-30).

Regarding to claim 9, Richard discloses further comprising the step of updating the expected opening prices based upon the additional quotes and order received during the second time period (column 4, lines 50-65).

Regarding to claim 10, Richard discloses wherein an opening rotation period immediately follows the step of randomly terminating the second time period (column 1, lines 30-43).

Regarding to claim 11, Richard discloses wherein orders and quotes received during the opening rotation period are not considered during the step of updating the expected opening prices (column 6, lines 5-30).

Regarding to claim 12, Richard discloses wherein the expected opening prices are updated periodically based upon the additional quotes and orders (column 4, lines 50-65).

Regarding to claim 13, Richard discloses a processor programmed with a set of instructions to perform the method of claim 8 (column 8, lines 5-16, 43-52; central controller 2).

Conclusion

6. Claims 1-13 are rejected.

7. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Gary (US 6,618,707) discloses an automated exchange is provided for matching incoming orders for the purchase or sale of financial instruments.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 306-1113.

9. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks
C/o Technology Center 3600

Art Unit: 3628

Washington, DC 20231

Or faxed to:


(703) 872-9326 (for formal communication intended for entry),

or

(703) 308-3691 (for informal or draft communication, please label
"PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal
Drive, Arlington, VA, Seventh Floor (Receptionist).

Nga B. Nguyen


January 6, 2005